

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

January 16, 2009

The Fiscal Committee of the General Court met on Friday, January 16, 2009 at 9:00 a.m. in Room 201-203 of the Legislative Office Building.

Members in attendance were as follows:

Representative Marjorie Smith, Chairman
Representative Neal Kurk
Representative Sharon Nordgren
Representative Douglas Scamman
Representative Robert Foose
Senator Lou D'Allesandro
Senate President Sylvia Larsen
Senator Kathleen Sgambati
Senator John Gallus
Senator Peter Bragdon

Chairman Smith opened the meeting at 9:17 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the minutes of the December 16, 2008 meeting be accepted as written. MOTION ADOPTED.

RSA 9:16-a, TRANSFERS AUTHORIZED:

CONSENT CALENDAR

At the request of Representative Kurk, FIS 09-018 Office of Energy and Planning was removed from the Consent Calendar for discussion.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the remaining request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 09-014 Department of Safety – transfer \$39,500]

FIS 09-018 Office of Energy and Planning – Amy Ignatius, Director, and Donna Raymond, Fiscal Director, Office of Energy and Planning presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Office of Energy and Planning to transfer \$60,000. MOTION ADOPTED.

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

CONSENT CALENDAR

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 09-001 Department of Environmental Services – accept and expend \$156,871, FIS 09-002 Department of Safety – accept and expend \$841,770, FIS 09-007 New Hampshire Fish and Game Department – accept and expend \$500,000 in federal funds and \$125,000 in other funds, FIS 09-008 Department of Justice – amend the grant award termination date from February 28, 2009 to June 30, 2009, with no increase in funding (approved FIS 07-256 August 29, 2007), FIS 09-009 Department of Safety – accept and expend \$117,650, FIS 09-010 Department of Safety – accept and expend \$107,835.63, FIS 09-015 Department of Safety – accept and expend \$20,000,000, FIS 09-019 Office of Energy and Planning – accept and expend \$75,000]

RSA 124:15 POSITIONS RESTRICTED:

CONSENT CALENDAR

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 09-003 Department of Safety – authorization to establish one (1) full-time temporary consultant position through June 30, 2009]

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE AND RSA 124:15 POSITIONS RESTRICTED:

FIS 09-011 Department of Safety – On motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Safety to retroactively amend the grant award termination date from September 30, 2008 to June 30, 2009, with no increase in funding (approved FIS 07-401 December 13, 2007) and retroactively amend the end date for a consultant position from September 30, 2008 through June 30, 2009 (approved FIS 07-401 December 13, 2007). MOTION ADOPTED.

FIS 09-020 Department of Safety – Wesley Colby, Director of Administration, and Colonel Frederick H. Booth, Director, Division of State Police, Department of Safety responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Safety to accept and expend \$300,000 and establish three (3) full-time temporary State Police Trooper positions through June 30, 2009. MOTION ADOPTED.

The Committee requested a letter from the Department of Safety stating that the three (3) full-time temporary State Police Trooper positions would not be included in the 2011 budget

request without the federal grant funding. The Department may make their case before the various finance committees to add the three (3) positions.

RSA 9:16-a, TRANSFERS AUTHORIZED AND CHAPTER 262, LAWS OF 2007, BUDGET FOOTNOTE C:

EIS 09-021 Department of Transportation – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Transportation to transfer \$1,613,200 between Highway Fund accounts, transfer \$275,000 between Turnpike Fund accounts and expend \$140,000 in Bridge Maintenance revenue in excess of the estimate. MOTION ADOPTED.

RSA 604-A:1-b ADDITIONAL FUNDING:

EIS 09-012 Judicial Council – On a motion by Representative Scamman, seconded by Senator D'Allesandro, that the Committee approve the request of the Judicial Council to receive \$412,500 in additional General Funds from funds not otherwise appropriated through June 30, 2009. MOTION ADOPTED.

CHAPTER 263:28, II, LAWS OF 2007, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

EIS 09-004 Department of Health and Human Services – On a motion by Senator Larsen, seconded by Representative Nordgren, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$362,015. MOTION ADOPTED.

CHAPTER 263:28, II, LAWS OF 2007, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS AND RSA 124:15 POSITIONS RESTRICTED:

EIS 09-022 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$158,777 and establish two (2) full-time temporary positions; one (1) Public Health Program Manager and one (1) Program Assistant I, through June 30, 2009. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

AUDITS:

New Hampshire Retirement System, Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2008 and the New Hampshire Retirement System, Management Letter, Year Ended June 30, 2008 and the New Hampshire Retirement System, Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards* Year Ended June 30, 2008 – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, and Brock Romano, KPMG Partner, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Dick Ingram, Incoming Executive Director, and Richard Joyal, Director of Finance and Budgeting, New Hampshire Retirement System. Merelise O'Connor, Director of Member Services, and Rick Shafer, Director of Investments, New Hampshire Retirement System were also present.

On a motion by Representative Kurk, seconded by Representative Foose, that the reports be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2008 and KPMG letter dated December 18, 2008 – Corrected and Uncorrected Misstatements of the basic financial statements of the State of New Hampshire for the year ended June 30, 2008 – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, Shawn Warren, KPMG Partner, Scott Warnetski, KPMG Senior Manager, and Steve Smith, Administrator, Department of Administrative Services, presented the report and responded to questions of the Committee. Catherine Provencher, State Treasurer, was also present to respond to questions of the Committee.

This report was accepted, placed on file and released at the December 16, 2008 meeting of the Fiscal Committee.

State of New Hampshire, Department of Transportation, Turnpike System, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2008 and KPMG Independent Auditors' Report Dated December 18, 2008 – Compliance with Covenants," of the New Hampshire Turnpike System's General Bond Resolution – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, Shawn Warren, KPMG Partner, and Karen Farrell, KPMG Senior Manager, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Jeff Brillhart, Assistant Commissioner, and Thomas Martin, Director of Finance, Department of Transportation. Catherine Provencher, State Treasurer, was also present to respond to questions of the Committee.

This report was accepted, placed on file and released at the December 16, 2008 meeting of the Fiscal Committee.

New Hampshire Lottery Commission, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2008 – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, Shawn Warren, KPMG Partner, and Adam Roy, KPMG Audit Manager, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee was Rick Wisler, Executive Director, Lottery Commission.

On a motion by Representative Kurk, seconded by Senator Gallus, that the reports be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

The Unique College Investing Plan, Annual Report, September 30, 2008 and The Fidelity Advisor 529 Plan, Annual Report, September 30, 2008 – Catherine Provencher, State Treasurer, and Steve Hirt, Partner representing PricewaterhouseCoopers, presented the report and responded to questions of the Committee.

This report was accepted, placed on file and released at the December 16, 2008 meeting of the Fiscal Committee.

State of New Hampshire, Board of Tax and Land Appeals, Financial and Compliance Audit Report For the Fiscal Year Ended June 30, 2008 – Richard Mahoney, Director of Audits, and Elizabeth Bielecki, Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Paul Franklin, Chairman of the Board, and Anne Stelmach, Clerk, Board of Tax and Land Appeals.

On a motion by Representative Kurk, seconded by Senator D'Allesandro, that the reports be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

ADJOURNMENT:

The next regular meeting of the Fiscal Committee was set for Friday, February 13, 2009 at 9:00 a.m. (Whereupon the meeting adjourned.)

Representative Neal Kurk, Clerk